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Arizona Corporation Commission

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TO: Docket Control

FROM: Ernest G. Johnson
Director
Utilities Division

AZ CORP COMMISSION
DOCUMENT CONTROL

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DATE: April 30, 2007

RE: MOTION TO EXTEND TIME TO COMPLY WITH CERTAIN FILING REQUIREMENTS SET FORTH IN DECISION NO. 68742 BY BALTERRA SEWER CORP. DOCKET NO. SW-20403A-05-0586

On June 5, 2006, the Arizona Corporation Commission issued Decision No. 68742 approving the application of Balterra Sewer Corp. ("Balterra") for a Certificate of Convenience and Necessity ("CC&N"). The Decision included several compliance requirements. On April 9, 2007, Balterra filed a motion for a time extension to comply with four of the filing requirements set forth in the Decision. The four requirements for which Balterra is requesting a time extension for compliance are:

1. A copy of the Maricopa Association of Governments approved Section 208 Plan ("MAG 208 Plan") should be filed no later than April 30, 2007.
2. A copy of the notice issued by the Arizona Department of Environmental Quality ("ADEQ") showing that Balterra's Aquifer Protection Permit and/or Arizona Pollutant Discharge Elimination System has been approved should be filed no later than October 31, 2007.
3. A copy of the Approval to Construct for the proposed Phase I treatment plant issued from Maricopa County Environmental Services Department ("MCESD") should be filed no later than June 30, 2007.
4. A copy of the Approval of Construction from MCESD for the proposed Phase I sewer collection system should be filed no later than March 31, 2008.

Based upon requirements of the United States Department of Environmental Quality ("EPA"), ADEQ has recently implemented a new procedure which, in Balterra's case, resulted in a delay in the processing of Balterra's request for a MAG 208 Plan amendment. The delay in approval by the EPA directly impacts Balterra's ability to comply with the other three requirements listed above.

Also, Balterra's wastewater utility service area granted in Decision No. 68742 does not have a corresponding water service provider. The Water Utility of Greater Tonopah ("WUGT")

applied on April 14, 2006 to become the water service provider to areas including Balterra's service territory. Ownership of WUGT changed since its application was filed and WUGT's application has not yet reached sufficiency. Without water service, Balterra cannot provide wastewater service even if it meets the compliance deadlines set in Decision No. 68742.

Balterra requests that new deadlines for compliance be applied. Balterra requests the deadline for filing the approved MAG 208 amendment be extended four months from April 30, 2007 to August 31, 2007. Other time extensions requested are;

1. The deadline for filing the Approval to Construct be extended four months from June 30, 2007 to October 30, 2007.
2. The deadline for filing the Approval of Construction be extended eighteen months from March 31, 2008 to September 30, 2009.
3. The deadline for filing the Aquifer Protection Permit and/or Arizona Pollutant Discharge Elimination System be extended thirteen months from October 31, 2007 to November 30, 2008.

On April 25, 2007, in response to a Staff request, Balterra filed additional information and support for the time extensions which included progress made toward providing wastewater utility service and "target deadlines" for completion of permitting and construction. The filing included an affidavit from the developer attesting to the filing.

Staff estimates that the application of WUGT for an extension of its water CC&N into Balterra's wastewater service territory will not be fully processed for at least six months. Generally, the Commission allows water utilities up to two years to make compliance filings regarding such documents as Approvals to Construct or Certificates of Assured Water Supplies. Thus, approval of the requested compliance time extensions for Balterra may result in compliance deadlines that more closely correspond to those of the potential water supplier in the area.

Staff recommends approval of Balterra's requested time extensions set forth above.

EGJ:LAJ:tdp

Originator: Linda Jaress

Attachment: Original and Thirteen Copies

Service List for: Balterra Sewer Corp.
Docket No. SW-20403A-05-0586

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